

Florida State University
Fund-Raising Policy and Procedure Statement
for the
Florida State University Foundation

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FLORIDA STATE UNIVERSITY FUND-RAISING POLICY AND PROCEDURE
STATEMENT.....3

PURPOSE.....
.....3

FUND-RAISING POLICIES AND
PROCEDURES.....4

INTRODUCTION.....
.....4

FUND-RAISING PROCEDURES BY FOUNDATION ORGANIZATIONAL
UNIT.....5

Office of Annual Giving
(OAG).....5
Office of Corporate and Foundation Relations
(OCFR).....8
Office of Planned Giving
(OPG).....9
Office of Major
Gifts(OMG).....11
College/Constituent Fund Raising
Program.....11
Office of Advancement Relations
(OAR).....11
Office of Research and Prospect Management
(ORPM).....14

APPROVAL OF
SOLICITATION.....15

RESTRICTIONS ON
GIFTS.....16

Gift
Agreements.....
....16
Restricting
Policies.....17
Changing
Restrictions.....18

ACCEPTANCE OF NON-CASH GIFTS/ILLIQUID
GIFTS.....18

GIFTS OF TANGIBLE PERSONAL
PROPERTY.....19

Gifts of Works of
Art.....20

REAL
PROPERTY.....
..24

I. Procedures for Accepting All Types of Real
Property.....24

II. Special Types of
Acquisitions.....33

III. The Sale and Management of Real Property
Gifts.....34

IV. Acceptance and Execution of

Contracts.....	36
V.	
Leasing.....	
....37	
VI. Non-	
Discrimination.....	38
VII.	
Exceptions.....	
38	
ALLOCATION OF CERTAIN	
GIFTS.....	39
ADMINISTRATION OF	
GIFTS.....	40
CONFIDENTIALITY OF FSU	
RECORDS.....	40
POLICY ON THE ESTABLISHMENT OF	
NAMING.....	42
OPPORTUNITIES AND ENDOWED	
FUNDS.....	42
GENERAL	
POLICY.....	43
SPECIFIC GIFT NAMING	
OPPORTUNITIES.....	52
SPECIFIC GIFT NAMING OPPORTUNITIES-COLLEGES, BUILDINGS, & PORTIONS	
THEREOF.....	55
EXHIBITS.....	
.....55	

Florida State University Fund-Raising Policy and Procedure Statement

Purpose

The purpose of this statement is to:

- Establish procedures for all fund-raising.
- Establish guidelines and procedures for the receipt of gifts, including real estate.
- Establish guidelines for the approval of gift naming opportunities.
- Set minimum dollar totals for gift naming opportunities.

FUND-RAISING POLICIES AND PROCEDURES

INTRODUCTION

The Florida State University Foundation is the academic fund-raising arm of Florida State University (FSU or the University) and is managed by the President of the Florida State University Foundation. The Foundation President is the chief fund-raising officer and reports to the Vice President for University Relations of the University. The Foundation President is responsible for the coordination of all academic fund-raising activities. This includes the overall supervision and management of fund-raising programs, administration of staff, management of the cultivation, solicitation and proper stewardship of all donors on behalf of the University. All development officers soliciting gifts on behalf of FSU or its units report through the Foundation, except for the Seminole Boosters, the athletic fund-raising organization of the University.

By authorization of the Articles of Incorporation and Bylaws of January 1, 1960, as amended, the Foundation is FSU's official academic, tax-exempt, not-for-profit, 501(c)(3) entity that is responsible for raising, administering and investing gifts on behalf of the University. For purposes of these policies, the term "gifts" refer to private contributions (such contributions are sometimes called "grants" by foundations and corporations). Gifts are outright or deferred contributions received from private contributors (individuals, partnerships, corporations, foundations and organizations), sometimes referred to herein as "donors," in which neither goods nor services (other than general reports and/or fulfillment of donor intent) are expected, implied or forthcoming for the donor.

All gifts or grants, whether for current use or endowment, solicited in the name of and treated as a gift to any part of the University, must be received and expended by the Foundation, or in accordance with specific exceptions delineated in written agreements by the University President and Seminole Boosters, Inc.

The following policies and procedures set forth the guidelines for FSU's fund-raising program. The Foundation Board of Trustees or its Executive Committee may grant exceptions to these policies, where appropriate.

Office of Annual Giving (OAG)

It is the mission of the Office of Annual Giving to define and build a program of solicitation for the growing body of alumni, parents, and friends of Florida State University and secure, on an annual basis, significant private support (\$99,999 and under) annually.

Annual gifts are contributions for current use at FSU. While a contributor may designate a gift for a specific purpose or project, unrestricted gifts give FSU and its colleges and schools the greatest flexibility in allocating funds where they are most needed. The Office of Annual Giving utilizes the following mechanisms for obtaining private support from alumni, parents and friends of FSU: personal solicitation program, telemarketing, and direct mail.

Annual contributors are recognized in FSU's Circle of Support donor recognition societies and are listed in the FSU Foundation's annual donor honor roll. Recognition in the Circle of Support must be renewed annually. The gift recognition levels include: Circle Associate Reserved for graduates of the last 1-5 years and current FSU seniors who annually contribute \$250-999 and graduates of the last 6-10 years who annually contribute \$500-999.

Circle Patron \$1,000-2,499

Circle Investor \$2,500-4,999

Circle Partner \$5,000-9,999

Circle Leader \$10,000 or more

The office of Annual Giving is reaching out to connect with FSU's younger alumni and recognizes that the first gift of a new graduate is just as important to the University as the sizable contribution of a long-time loyal donor.

The Golden Ring is a recognition level reserved for Graduates Of the Last Decade who contribute annually in the Circle of Support. Recognition in the society must be renewed annually.

The Recent Graduate Development Council is a volunteer group of recent graduate donors who are role models of commitment, involvement, and accomplishment. These volunteers provide a strong foundation upon which fundraising, outreach, and alumni activities are built.

In order to be invited to serve on the Recent Graduate Development Council, an individual must contribute annually at one of the Circle of Support giving levels and show strong commitment to the advancement of FSU's academic programs.

Telemarketing and direct mail campaigns are conducted by OAG on behalf of the colleges, special units and the general University. Other annual giving fundraising activities conducted elsewhere on campus must receive prior approval from OAG to prevent duplication of efforts and confusion among prospects.

All personal solicitations are coordinated with the phonecenter and direct mail programs. Each quarter the annual giving development officers(s) focus only on the college/school in its annual giving cycle. Annual giving prospects are reviewed by college development officers and deans prior to solicitation. Annual giving development officers do not visit assigned prospects, unless instructed otherwise by the

prospect manager.

All OAG program components are evaluated for effectiveness, efficiency and overall quality. Periodic status reports are provided to the appropriate college or unit.

Costs incurred by OAG on behalf of a college or unit are charged to the college or unit. Statements of these charges are sent to the appropriate fund administrator in the colleges or units.

Office of Corporate and Foundation Relations (OCFR)

OCFR is responsible for coordinating University Corporate and Foundation fund-raising strategies, proposals and solicitations. Coordination of corporate and foundation fund-raising is necessary due to the large number of University personnel requesting or needing assistance and, because of the finite amount of corporate and foundation support available, the University's need to maximize chances for support by not duplicating its solicitations. OCFR provides full and individual attention to all faculty and staff inquiries. Specifically, OCFR provides prospect research, recommendations for cultivation techniques, proposal preparation, solicitation strategies, and a liaison with the President's office when the President's involvement is appropriate.

1. Any faculty/staff seeking private support from a corporation or a private foundation must contact the Director of Corporate Relations or the Director of Foundation Relations and/or the appropriate unit development officer. All letters of inquiry and all proposals must be approved by the Director of Corporate or Foundation Relations.
2. In most instances, proposals sent to corporations or foundations on behalf of FSU must include a university presidential cover letter. (Many foundations and corporations will not consider a proposal unless the President's endorsement accompanies the formal request.) The Director of Corporate Relations or the Director of Foundation Relations will request this letter from the President.
3. For faculty/staff having ongoing relationships with foundation and corporate representatives, interaction with the Director is urged. The appropriate Director should be informed of cultivation activities and solicitation strategies.

Office of Planned Giving (OPG)

OPG provides expertise in the planning, cultivation and solicitation of "planned gifts" to FSU. A planned gift is a commitment reached after consideration of the comparative benefits of a major outright gift, a future expectancy or a gift involving obligations between FSU and the donor. Because the documentation and execution of planned gifts may be complex in terms of protecting both FSU and the donor, OPG must review all documents relating to such gifts prior to execution by the donor and acceptance by the Foundation. The donor will always be advised to seek his or her own outside legal and tax counsel before executing a planned gift. Minimum gift amounts and policies for different types of planned gifts are as follows:

Charitable Gift Annuity: The establishment of a charitable gift annuity will require a minimum gift of \$5,000. If the gift is other than cash or publicly traded

securities, approval will be required by the Finance Committee of the FSU Foundation Board of Trustees for the issuance of the gift annuity. The rates paid on charitable gift annuities will follow the suggested rates approved by the American Council on Gift Annuities (formally called the Committee on Gift Annuities.)

Charitable Lead and Remainder Trust: A charitable lead and remainder trust (unitrust or annuity trust) will require a minimum gift of \$50,000, if it is to be administered by the Foundation. Unitrusts may be established for less than the minimum amount, provided that the donor assures in writing that the corpus of the trust will eventually exceed the required minimum. Annual pay out rates will be fully disclosed by statement in the trust agreement to all donors. Pay out rates will be established within the trusts ability to generate the requested funds to both the donor and the university. The Foundation Board's Investment Committee will annually review all trust pay out rates.

Bequests: Specific, residual or contingent bequests will be recorded by the OPG. A documented (copy of Will, portion thereof, or Bequest Provision Form) specific or a residual bequest of \$10,000 or more will be counted for the Westcott Society. A documented bequest with a present value of \$10,000 or more will qualify the donor for the President's Club.

Insurance: For insurance to qualify as a gift, ordinary life or certain universal life insurance policies must be owned by the Foundation with the Foundation also named as the sole beneficiary of the policy.

Real Estate: Gifts of real estate with retained life interests may be made, but only with personal residences or farm properties. Retained life interest agreements are required and must outline the rights and privileges of both the donor and FSU.

Revocable Trust: The establishment of a revocable trust requires a minimum gift to the Foundation of \$100,000 if the Foundation is to be the trustee. The Foundation will serve as trustee of a revocable trust if at least 50 percent or \$100,000 of the remainder gift is for the benefit of FSU.

Irrevocable Trust: The establishment of an irrevocable trust requires a minimum gift to the Foundation of \$100,000 if the Foundation is to be the trustee. The Foundation will serve as trustee of an irrevocable trust if 50% of the remaining gift is for the benefit of Florida State University.

Office of Major Gifts (OMG)

The OMG is responsible for identification, cultivation and solicitation of gifts on behalf of programs and constituent units of Florida State University. The centrally based major gift officers actively promote to regional constituents, knowledge of the University, its programs, and activities of interest.

College/Constituent Fund Raising Program

Because college fund-raising programs encompass the broad spectrum of fund-raising activities, all college/constituent fund-raising programs are subject to the procedures contained in this policy statement.

Office of Advancement Relations (OAR)

OAR is responsible for building and maintaining relationships with any individual, partnership, corporation, foundation, or organization that supports the mission of FSU with a gift. In addition to appropriate letters and gift acknowledgments, there are four broad areas of services provided by OAR; stewardship, donor recognition publication, special events, and activities of the Presidents Club recognition society.

Stewardship

Stewardship is the act of thanking and maintaining contact with previous donors. FSU is committed to an active program of stewardship coordinated by the Associate Director of Stewardship.

All donors of \$50,000 and more will be assigned to a development officer for stewardship purposes. The assigned development officer should involve the faculty and administrators from the particular area(s) funded by the gift in order to maintain regular contact with the donor and to report, at least annually, the status of and uses of the donor's gift. Development officers are encouraged to continue stewardship activities with their assigned donors.

Formalized stewardship activities include the annual reporting to major donors of their annual fund activity and information on recipients and program activities, when applicable.

Donor Recognition

General Recognition Policy: FSU wishes to recognize the generosity and commitment of any individual, partnership, corporation, foundation, or organization that supports the mission of FSU with a gift. The Presidents Club is the recognition honorary for donors to FSU. Unless donors request anonymity, they will automatically be listed at the appropriate level in one of these groups.

Presidents Club

The Office of Advancement Relations will be responsible for the planning and implementation of annual event activities for the Presidents Club levels. Any donor who supports FSU with a pledge or total giving of \$10,000 or more, will be recognized in the Presidents Club. These donors will be listed at the appropriate level in the FSU Donor Honor Roll:

Francis Eppes Society: a gift of cash, cash equivalent or a deferred gift with a present value of at least \$1 million.

Edward Conradi Society: a gift of cash, cash equivalent or a deferred gift with a present value of at least \$500,000.

Doak S. Campbell Society: a gift of cash, cash equivalent or a deferred gift with a present value of at least \$100,000.

Robert M Strozier Society: a gift of cash, cash equivalent or a deferred gift with a present value of at least \$50,000.

Presidents Club: a gift of cash, cash equivalent or a deferred gift with a present value of at least \$10,000.

James D. Westcott Legacy Society: recognizes deferred gifts at all levels

and honors alumni and friends who have included the University in their estate planning documents.

Office of Research and Prospect Management (ORPM)

The Office of Research and Prospect Management serves development officers and other University staff engaged in the University's major gifts fundraising programs.

Research

This unit identifies new donor prospects as well as provides information needed in major gift cultivation and solicitation planning.

Prospect Management

This unit coordinates the compilation of affiliations and fundraising contacts in order to build a history of a donor's or prospect's relationship with the University. In addition, fundraising initiatives are coordinated through prospect assignment and tracking. This process is designed to clarify active gift initiatives, avoid multiple solicitations that could confuse the prospect or diminish the effectiveness of the solicitation, provide for regular prospect review, and support the process of moving prospects through cultivation to solicitation and gift closure. At the request of the University President, all academic and athletic fundraisers as well as deans, program directors, and the Provost are actively engaged each month in a review of proposed gift initiatives.

Approval of Solicitation

1. The fund-raising program of FSU encompasses all gift solicitations on behalf of the entire University community. Gifts in support of academic programs go to the FSU Foundation: gifts in support of Athletic go to Seminole Boosters.
2. The fund-raising program generally supports and encourages both unrestricted gifts to the University and designated gifts to constituent colleges and units of the donor's choice.
3. All bequests or trust gifts of \$100,000 or more received by the Foundation are presumed to be used to establish either endowed funds or fund capital projects, unless specific documentation to the contrary is available. The University President may specifically approve other proposed uses for such funds.
4. The solicitation for funds on behalf of all departments, schools, colleges, and units must be approved by the Foundation President and the appropriate University Vice President, Dean or Director. All fund-raising projects or campaigns will follow the policies and procedures contained herein.

All fund raising initiatives soliciting gifts of \$50,000 to \$500,000 must be approved by the appropriate Foundation Vice President and the appropriate University Vice President or Dean.

Requests in excess of \$500,000 must be in writing to the donor, be approved in draft form by the Foundation President and/or Dean prior to the solicitation, and be reported to the University President.

5. In order to maximize the benefit of private support to the University and avoid duplicate solicitation of donors, all solicitations of gifts of \$10,000 or more will be reported to the appropriate Foundation Vice President.

6. The Foundation maintains a Prospect Management Committee (PMC) which records and manages the solicitation of prospects in order to avoid multiple solicitations that could confuse the prospect and/or diminish the effectiveness of the solicitation. All contacts and solicitations with prospective donors of \$10,000 and above will be reported and coordinated through the PMC (see section for Research and Prospect Management).

7. Prospect resolution--if two or more development officers or units wish to approach a prospect within the same time frame, the development officers are expected to discuss and resolve the conflict. If a satisfactory resolution cannot be reached, the question will then be considered through the Prospect Management Procedure. Further appeals can be made to the Provost, and ultimately to the President.

Restrictions on Gifts

Gift Agreements

The terms of all gifts of \$50,000 or more will be specified in a written gift agreement that outlines the program to be supported and the schedule of contributions. All donors that wish their gifts matched under the provisions of the state matching funds program and earmarked for endowment, must state this in the agreement. The gift agreement will be signed by the donor, appropriate academic officers and an officer of the Foundation. Gifts of less than \$50,000 may be committed through a gift agreement. All donors are presumed to have directed the Florida State University Foundation to apply for and receive any matching funds from federal, state or private sources that might be available as a result of their gifts.

Restricting Policies

1. Clauses in proposals, gift agreements or solicitations that discriminate in favor of or against any race, color, religion, nationality, or national origin are prohibited. The only exception is if University legal counsel approves such a restrictive clause.
2. Preferences for relatives or descendants in the awarding of scholarships or in the use of donated funds are prohibited.
3. Gifts from any donor for a fellowship or scholarship made on the condition or with the understanding that the award will be made to a student of the donor's choice, will not be accepted. Money received subject to such restrictions may be credited to a depository account within the University Office of Student Financial Aid, but will not be recorded as a gift to FSU.

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4. The terms of any gift should be: (1) as flexible as possible to permit the most productive use of the funds and (2) as nearly as possible to be consistent with the original intent of the donor.
5. Gifts that restrict or impede the work or scholarly activity of a faculty member, fellowship holder or student will not be accepted.
6. No fellowship or scholarship gift will be accepted if the terms of the gift in any way include a commitment for the future employment of the student recipient.
7. The donor of a gift may not serve on any selection, evaluation or advisory committees involved in the selection or evaluation of students or faculty members who would benefit from the gift, unless authorized by the University President.

Changing Restrictions

The use of donated funds for a purpose other than that stipulated by the donor is prohibited. If another use is deemed necessary, consent for using the funds in a different manner may be sought from the donor or may be altered in accordance with the terms of the gift agreement. If the use becomes impossible or unlawful, court approval may be sought to alter the use. Similarly, for a donor to change the originally stated use of donated funds, the change must first be agreed to by appropriate University officials.

Acceptance of Non-Cash Gifts/Illiquid Gifts

(approved by the FSU Foundation Board of Trustees, 2/26/05)

There is established under the purview of the of the Foundation Development Committee an Exceptional Gifts Committee, which shall be responsible for approval of all non-cash or illiquid gifts over \$100,000, including gifts of art, equipment, intellectual property, or any other non-cash or illiquid gift not under the purview of any other Board Committee. The Exceptional Gifts Committee shall be the authority on the acceptance of non-cash gifts, the review mechanism for documentation of the same and the entity that provides oversight, guidance and direction to gift counting policies. The nine-member committee shall consist of the Vice President for University Relations; the Associate VP for Budget, Planning and Financial Services; the Foundation President; the Foundation's Vice President, Campaign; the Foundation's Chief Financial Officer; and four Development Committee members.

All gifts of restricted stock and closely held stock, no matter what amount, shall be approved by the Exceptional Gifts Committee, and shall be processed and accepted in accord with recognized accounting and IRS standards.

The Foundation President is given the authority to approve all non-cash or illiquid gifts, with the exception of gifts of restricted stock and closely held stock, up to \$100,000 in the aggregate.

This policy shall comply with all current and pertinent Internal Revenue Service regulations regarding charitable donations. In addition, these policies shall conform with all federal and state laws that may be pertinent hereto. If for any reason one or more provisions of this policy statement should violate any law—federal, state or local—said provision shall be null and void and, if applicable, amended to comport with the law.

No policy statement herein or action taken by any officer of the FSU Foundation should be interpreted as giving tax or legal advice to its donor. It is understood that the FSU Foundation will not offer accounting and legal advice to donors, as this would be a clear conflict of interest.

Gifts of Tangible Personal Property

An offer of a gift of tangible personal property may be accepted on behalf of the University by the Foundation provided that:

1. Such a gift is consistent with the mission of the University.
2. If acceptance of such a gift involves significant additional expense in its present or future use, display, maintenance, or administration, identification of the items and hard dollar costs associated with carrying the gift must include the source of funding and the projected time frame for carrying the gift. In addition, non-recurring obligations and the University personnel responsible for the fulfillment of such obligations must be identified. The School or College benefiting from the gift must agree in writing to fund carrying costs or absorb the costs, whether or not the donor agrees to pay.
3. An independent, qualified appraisal accompanies the gift agreement and the donor be apprised of IRS requirements, including IRS Publications 561 and 526 and IRS Forms 8283 and 8282. However, it is not the Foundation's responsibility to provide advice to the donor on the various IRS regulations pertaining to charitable donations and the Foundation should encourage donors to seek independent counsel. The Foundation, as the University's tax exempt 501(c)(3) organization, will be responsible for providing these forms to the donor, and as such, will provide confirmation and formal acceptance of the gift.
4. Unless otherwise specified as a condition of the gift, the Foundation, in assuring that the donor's intent for the gift is honored, is empowered to retain the gift of property, turn it over to the University, or liquidate it for the benefit of the University. Gifts of fixed or inexhaustible assets shall be transferred to the University upon acceptance by the Foundation.

Gifts of Works of Art

Acceptance of Gifts

The University may accept gifts of art. In addition to the above policies on gifts of tangible personal property, the Foundation, in accepting works of art on behalf of the University, will adhere to the following:

- a. The Museum of Fine Arts and the Ringling Museum may accept and accession gifts of art in accord with their respective accessioning and acceptance policies as stated below.

All gifts of tangible personal property offered to the John and Mable Ringling Museum of Art shall be governed by its Collection Management Policy adopted by the Ringling Museum of Art Foundation Board of Directors in September 2002.

Gifts of Equipment and Intellectual Property

The University may receive gifts of equipment and intellectual property. Only a unilateral transfer of equipment or intellectual property to the University may be considered a gift.

Fair market value at the moment the gift is made determines the gift value. Fair market value will take into consideration any discounts the University would receive if the University had purchased the gift outright.

The donor shall provide a list and description of assets as well as all needed background information, including pricing.

If the gift is over \$5,000, the donor will be responsible for an appropriate appraisal to certify the gift value, as prescribed in IRS Publication 561.

Depreciation related to gifts of equipment is not a gift. Every effort must be made to insure the gift of equipment or intellectual property is not really an exchange transaction. An exchange transaction is one in which the donor receives some sort of consideration in return for the gift, such as goods or services.

Criteria to be considered for acceptance of the gift may include management of the technical development of the gift, if applicable; solicitation of research support if the gift is for research and integrating the gift within the University if the gift is equipment or software; estimates of applicable costs of additional development; and additional equipment needs and facility requirements and/or renovations.

All additional costs associated with acceptance of the gift are to be identified.

The University personnel responsible for the fulfillment of such obligations must also be identified.

Gifts of computer equipment, including software, or intellectual property should be coordinated with the appropriate University office, either the Office of Technology Integration or the Technology Transfer Office within the Office of Research.

Real Property

I. Procedures for Accepting All Types of Real Property

A. Overview

Many gifts received by the Foundation for FSU are gifts of real property. In fact, FSU welcomes and actively solicits gifts of real property. Also, in furtherance of our mission, the Foundation may acquire interests in real property by non-gift means for use by FSU.

The Foundation markets gifts of real property unless it is the intent of FSU to actively use the property. Proceeds from sales are used for the charitable purposes specified by donors.

The Foundation Board has adopted the following policy as it relates to acceptance, management and liquidation of real property. Appropriate inquiries are made prior to acceptance, concerning the condition of real property, including valuations, marketability, carrying costs and environmental risks. Real property gifts and other transactions require MAI or SRA appraisals, title work, environmental reports as appropriate, and other items that are typical of most real property transactions. The appraisals and environmental reports are particularly

All gifts offered to the FSU Museum of Fine Arts shall be governed by the Museum of Fine Arts Collections Management Policy dated Spring 1999.

Valuation of Gifts

a. For the purpose of valuing works of art, the following criteria must be met:

- i. Works of art must be accompanied by clear title to the work of art, a bill of sale or other proof of ownership and a complete provenance (the artwork's history of ownership), if possible.
- ii. Works of art must be accompanied by an independent appraisal by a qualified art appraiser who is a member of either the American Society of Appraisers or the Appraisers Association of America. Validation of provenance may be necessary in some cases. The donor shall be responsible for paying for the appraisal. Appraisers should be engaged directly by the Foundation. If not, the Foundation will provide the donor an approved list of appraisers from whom the donor must select. The Foundation must select

appraisers on a non-preferential basis who (i) possess the requisite education, expertise and competence to render an unbiased opinion, and (ii) have no direct or indirect interest, financial or otherwise, in the transaction."

iii. Ordinarily, the donor shall be responsible for paying for the appraisal.

iv. In instances in which the donor is not interested in appraising a gift for IRS tax-deduction purposes, the following alternative methods of valuation may be accepted with approval from the Exceptional Gifts Committee:

- Proof of purchase price
- Insured value
- Donor's estimated value for gifts coming through an estate (upon actual receipt of gift, the piece(s) would then be appraised and the value would be adjusted accordingly.)

v. The donation shall include the rights to all intellectual property rights associated with the work of art, unless otherwise agreed to by the Museum and the donor.

b. Objects of art not accessioned may still be of value to units of the University for decorative, instructional or resale purposes. Gifts of this nature would go to the Exceptional Gifts Committee for approval. Gifts of art not accessioned will be transferred to the University upon approval.

c. Proof of ownership shall be a condition of acceptance for any artwork due to the increasing problems of repatriation lawsuits for certain ethnic and cultural categories.

important to donors, as well as the Foundation. They provide measures of protection to both parties from claims by third parties, particularly the IRS or government environmental agencies. For instance, the IRS requires "qualified appraisals" in order for donors to claim charitable contribution income tax deductions. Also, federal and state environmental statutes can impose retroactive, joint and several liability upon donors (or their estates) or the Foundation regardless of fault. This liability can be limited by proper due diligence exercised by both donors and the Foundation.

In order to insure that the acquisition, use, management, and sale of real property are accomplished in a prudent manner, the Foundation has developed the following policy. Any questions should be directed to the Chief Financial Officer, who will assist donors in complying with these policies. The policies are divided into procedures for accepting all types of real property, special acquisitions, and procedures for the management and sale of real property.

The sole authority for the acceptance of any real estate gift lies with the Foundation's Real Estate Committee.

Except as provided for in Paragraph J, College or Unit Agreement infra, the donor and/or University Department(s) that will be cognizant beneficiary (ies) or purchaser(s) of each real property must agree, in writing and prior to the Real Estate Committee consideration, to pay all expenses and carrying costs of the property, including, but not limited to legal fees, taxes, mortgage and interest payments, insurance, utilities, etc., until it is liquidated. Said agreement shall be sufficient to authorize the Foundation to disburse funds for such expenses from the beneficiary fund, or, if that fund has insufficient cash assets, from another fund of the College designated by the Dean. The Foundation may agree to carry such costs, but will recapture its expenditures from sale proceeds.

Acceptance of any real property is subject to the following minimum standards:

Satisfactory completion of the Real Estate General Review - Parts I and II, found in the Exhibit section, page 56, of this policy document.

Allocation of sufficient time for review and recommendation by the Chief Financial Officer. The completed Reviews must be submitted at least three (3) weeks prior to consideration by the Real Estate Committee.

3. The owner/donor prospect must provide at their expense, a Phase I Environmental Report. In its sole discretion, the Real Estate Committee may accept or reject the Environmental Report. If a Phase II or III Environmental Report is required, it must also be acceptable to the Committee.

4. The owner/donor prospect must provide proof of title satisfactory to the Real Estate Committee.

5. The owner/donor prospect must provide a plat that includes adjacent properties. The Real Estate Committee may also require a survey.

6. The owner must provide at their expense, a MAI or SRA appraisal whichever is appropriate, that has been or will be performed within sixty days of the date of the gift, except as noted in Section C titled Appraisal.

7. All revenues, expenses, assessments, and claims associated with the property must be paid and/or current on the date of gift, including taxes and other expenses for which the Foundation would be ultimately liable, including without limitation, mortgages and liens, and lease or other revenues.

8. The assignability of a mortgage assumption must be acceptable to the Real Estate Committee.

9. The Foundation shall not engage in any transaction that involves a referral fee paid to

secure a gift of real property.

10. There are only two types of charitable remainder unitrusts which may be funded by a gift of real property: (1) Net Income Only with no income make-up and (2) Net Income Only with no income make-up with a provision for the trust to convert to a standard charitable remainder unitrust upon the sale of the real property (a/k/a Flip Trusts).

Charitable remainder annuity trusts and charitable gift annuities may also be funded with real property provided it is income producing. (See Page 33, Section II, Items 1 and 2.)

11. The Real Estate Committee must specifically approve any special deed clauses associated with a property.

12. The donor must provide, in writing, an agreement to pay all expenses related to the real property prior to sale or final disposition or the College beneficiary may agree to repay the Foundation its carrying costs from the proceeds of the sale. Any exceptions must be specifically approved by the Real Estate Committee.

The following will be required for all real property acquisitions, prior to acceptance or recording of any documents:

B. Real Estate Gift Analysis

The Chief Financial Officer, or staff members, will review all real property documentation expeditiously, taking into consideration time constraints of the donor. The Chief Financial Officer, in conjunction with the development staff, will consider the following:

1. Market conditions for resale or the disposition of the real property.
2. The condition of any improvements located on the real property.
3. The current and potential zoning, land use, and any concurrency issues for the real property.
4. Any costs associated with holding the real property for resale.
5. 5. Donor's General Review Parts I and II.6. Other considerations specific to the acquisition of the real property (see Section L).

B. General Warranty Deed

Title will be transferred to the Foundation by general warranty deed unless transfer is by a trustee, personal representative, or other fiduciary providing a deed appropriate to its capacity. The Foundation's legal counsel will review all deeds.

C. Appraisal

The Internal Revenue Service requires an appraisal if the value of the real property is greater than \$5,000, and the donor wishes to claim a charitable income tax deduction. The appraisal must be performed, and value rendered no earlier than 60 days prior to the date of the gift, and no later than the due date of the donor's tax return in which the charitable deduction for the gift will be claimed. In the absence of an appraisal, the real property may be recorded on the books for its current ad valorem tax value provided that such property shall be recorded at no more than \$5,000.

Appraisals must conform to acceptable appraisal standards promulgated by the

Appraisal Standards Board of the Appraisal Foundation as evidenced by USPAP. Appraisers must be state-licensed or certified. Appraisals must be performed by a member of the Appraisal Institute (MAI) for commercial properties or a Senior Residential Appraiser (SRA) for residential properties. The appraisal methodology must conform to the regulations and definition of market value. It is the responsibility of the donor to pay for the appraisal. Appraisers should be engaged directly by the Foundation. If not, the Foundation will provide the donor an approved list of appraisers that the donor must select from. The Foundation must select appraisers on a non-preferential basis who (i) possess the requisite education, expertise and competence to render an unbiased opinion, and (ii) have no direct or indirect interest, financial or otherwise, in the property or the transaction.

The President of the Foundation or the Chairman of the Real Estate Committee must approve any exception to the policies on appraisals, appraisers, or payment.

D. Title Search and Title Insurance

A title search is required for all real property transactions. A title search and title insurance will be required for non-gift or gift acquisitions of mortgaged property. In all cases, satisfactory proof of title must be furnished.

E. Survey

A survey may be required for any real property transaction. A survey will be required for all gift and non-gift acquisitions of mortgaged property, unless the Real Estate Committee and the Foundation's legal counsel determine that existing surveys or drawings are adequate.

F. Real Property Taxes and Other Carrying Costs

Evidence will be provided by the donor that all real property taxes and other carrying costs are paid and current. Donors will pay all or prorate the taxes and other carrying costs until the property is sold.

G. Mortgaged Property

The Foundation rarely accepts mortgaged property and never accepts mortgaged property into a charitable remainder unitrust. However, when real property is acquired subject to a mortgage, the mortgage will be current and assumable and will only be accepted following Real Estate Committee and the Foundation's legal counsel approval. Prior to its acceptance:

1. A clearly established method for the payment of the debt will be determined.
2. A MAI or SRA appraisal will be required.
3. A minimum of a 50 percent equity value is required.

H. Leases

When real property is acquired subject to a lease, leases will not be in default and

will be assignable by the landlord. All property acquired subject to a lease will only be accepted following Real Estate Committee approval. Upon approval, the leases will be assigned to the Foundation and all deposits, advance rents, and other monies transferred to the Foundation or otherwise accounted for as required by law. Authority to execute lease agreements on behalf of the Foundation is limited to the Foundation President, subject to the approval of the Real Estate Committee as enumerated herein.

I. Special Deed Clauses

The Real Estate Committee must approve any special deed clauses.

J. College or Unit Agreement

Each college or unit benefiting from a gift or acquisition of real property will agree, in writing, to pay any taxes, insurance, mortgage payments, and all other expenses incurred by the Foundation until the real property is liquidated. The colleges may agree to allow the Foundation to recoup its carrying costs from the proceeds from the sale of the property. The written approval will authorize the Chief Financial Officer to pay expenses and it will identify the appropriate Foundation account of the college or unit from which the monies are to be disbursed. Because of IRS requirements, this policy will not apply to charitable remainder unitrusts.

K. Environmental Requirements

No interest in real property, whether acquired outright, in trust, by bequest, as a secured interest, or otherwise, will be accepted by or on behalf of the Foundation without first complying with the following procedures:

1. The Foundation staff member responsible for any proposed transfer of real property will notify the Chief Financial Officer of the proposed transaction as soon as possible.
2. A Phase I Environmental Report, will be performed on every real property assets, except residential, prior to its acceptance by the Foundation. The Foundation, at its discretion, may require Environmental Reports on residential property.
3. If the Environmental Report indicates areas of significant concern, a more comprehensive investigation including, but not limited to, a Phase II or Phase III Environmental Report will be undertaken prior to acceptance by the Foundation. All environmental reports will be performed by a consultant approved by the Foundation.
4. If the above procedures reveal any liability, the real property may only be accepted by written approval of the Real Estate Committee upon written request by the Chief Financial Officer.
5. All contracts for environmental reports will be prepared and reviewed by the Chief Financial Officer.
6. The Foundation will obtain an indemnification agreement from the transferror of real property regarding hazardous waste liability.

7. In the case of an acquisition of real property by estate, all costs of environmental assessment and remediation will be borne by the estate before the real property is distributed to the Foundation. If the remediation is too costly, or the potential for liability too great, the Foundation may disclaim its interest in the real property.

All real property held by the Foundation in any capacity shall be managed in a manner designed to comply with all Federal and State regulations to minimize or eliminate any liability resulting from hazardous materials.

The sale or transfer of real property by the Foundation will be handled in a manner designed to eliminate any future liability by the Foundation for hazardous substance remediation. The Foundation will fully disclose to prospective transferees any and all information concerning the condition of any hazardous substances existing on the real property.

L. Unsolicited Deeds

Unsolicited deeds will not be accepted. Upon the receipt of unsolicited deeds, the Chief Financial Officer will immediately notify the grantor (in writing) that the real property has not been accepted and will not be accepted until the requirements of this policy are met.

M. Helpful Information

The following information, if available, should be obtained by the Development Officer and submitted with their gift review form to the Real Estate Committee.

1. Deed, including legal description, showing ownership in the donor.
2. Prior appraisal.
3. Prior survey.
4. Prior title policies or abstracts.
5. Prior environmental assessments.
6. Tax parcel identification number.
7. Copy of most recent tax bill.

II. Special Types of Acquisitions

In addition to the above requirements, the following types of real property require additional items prior to acquisition:

1. Real Property Given to Fund Charitable Remainder Unitrusts and Charitable Remainder Annuity Trust (See page 27, Item 9.) IRS rules prohibit the acceptance of mortgaged property to fund charitable remainder trust and annuity trusts.
2. Real Property Given to Fund Charitable Gift Annuities (See page 27, Item 9.) Although the IRS rules allow for the funding of charitable gift annuities with mortgage property, this practice is discouraged by the Florida State University Foundation, Inc.

3. Time Share Units

Time share units will not be accepted as gifts by the Foundation.

III. The Sale and Management of Real Property Gifts

Procedures

In accepting property for resale, it is the objective of the Foundation to obtain the best price and terms in a reasonable period of time, unless holding or leasing of the property is deemed, by the Real Estate Committee, to be in the Foundation's best interest. During the holding or leasing period:

1. The Foundation is authorized to charge routine property carrying expenses such as taxes, insurance, maintenance, travel, surveying/engineering, title examination, closing and other costs to the cognizant beneficiary of the property, in accordance with the Procedures For Accepting Real Estate Gifts. These expenses shall be reported regularly to the appropriate fund administrator.
2. The properties shall be listed for sale at all times. The Chief Financial Officer is authorized to execute listing contracts on behalf of the Committee.
3. A property's objective may be changed to the production of income or appreciation after consultation with all affected parties and with consent of the Real Estate Committee.

Sales Efforts

The Foundation shall list all properties for resale at all times. The Chief Financial Officer shall provide the Real Estate Committee, at its periodic meetings, with an inventory of all properties for sale. The Committee may solicit Board assistance in liquidation efforts.

1. Brokers participating in the local Multiple Listing Service (MLS) or the equivalent listing service for commercial properties shall be given preference.
2. The Foundation strives to provide all brokers with equal access to its real estate inventory. This objective does not preclude the use of exclusive listings provided that fees are not in excess of customary local fees.
3. Properties may be marketed in-house, although this practice is discouraged. The Chief Financial Officer shall attempt to negotiate reduced fees when brokers present buyers arising from in-house marketing efforts.
4. An auction sale may be approved by the Real Estate Committee for groups of lots or parcels when they are in the same subdivision or geographic location.

Listing Prices

1. Generally, the listing price of property shall be the current appraised value. With the donor's concurrence, exceptions may be made for specific properties that the Real Estate Committee determines cannot be sold at the appraised value. If there is no appraisal, or the appraisal is more than two years old, the listing price shall be based on a competitive market analysis conducted by at least two brokers. If, after two years of marketing effort, no reasonable offers have been

received, staff shall seek authority from the Real Estate Committee to reduce the listing price accordingly.

2. No referral fee will be paid to any broker securing a gift of real property. Special consideration may be given to the procuring broker when listing the real property for sale, provided any such agreement to list is non binding on the Foundation, and the fees are not in excess of customary local fees.

3. Whenever possible, the Foundation staff will solicit recommendations regarding local brokers and the general marketing effort from local Board members, friends of FSU or the donor.

4. The payment of fees to brokers when they are principals is discouraged. In such an event, the proportion of the broker's interest in the transaction will reduce the fee.

IV. Acceptance and Execution of Contracts

A. The Chief Financial Officer and/or the Foundation's legal counsel will review and comment upon each sales contract prior to its presentation to the Real Estate Committee for review. Contracts will be subject to the following:

1. On all contracts of less than \$100,000, the Foundation President or his/her designee is authorized to execute sales contracts without Real Estate Committee approval, if the sales price is at least the approved price, and the sales contract contains standard terms.
2. Contracts exceeding \$100,000 require the approval of the Executive Committee and the Real Estate Committee, prior to execution by the Foundation President or his/her designee.
3. All other contracts require Real Estate Committee approval prior to execution by the Foundation President.

B. The Chief Financial Officer is encouraged to seek the advice of the Real Estate Committee members when negotiating sales contracts.

C. The Secretary of the Foundation, or his/her designee, will keep minutes of all actions of the Real Estate Committee.

If sales are financed, they will be subject to the prior approval of the Real Estate Committee.

V. Leasing

A. Leases with FSU

1. The Chief Financial Officer may negotiate leases with FSU at less than market rents, provided the use of the real property is non-profit, complies with FSU's objectives and the Foundation's mission, and does not result in any expense to the Foundation. The leases will not create a negative cash flow for the Foundation unless the beneficiary college agrees in writing, to underwrite the losses.

2. All leases will be negotiated and executed in accordance with the Board of Regents' policies and procedures.

3. The Foundation's legal counsel will review and approve all such leases prior to execution.

4. Funding of depreciation shall be considered when computing break-even points for below market or nominal rent leases.

B. Other Leases

1. Upon approval of the lease by the Foundation's legal counsel, the Chief Financial Officer is authorized to execute leases of less than two years duration, and/or when the total rent for the lease term is \$25,000 or less.
2. Approval by the Real Estate Committee will be required when:
 - a. The lease is more than two years.
 - b. The total rent for the term of the lease is more than \$25,000.
3. The Chief Financial Officer may delegate leasing and management functions to outside professional management firms where deemed appropriate.

VI. Non- Discrimination

The Foundation will not discriminate or condone discrimination in its real property activities. The Foundation will conduct all affairs in compliance with all-applicable state and federal Equal Opportunity, Fair Housing, Equal Credit Opportunity or other anti discrimination laws.

VII. Exceptions

Upon written request by the Chief Financial Officer, exceptions to these policies and procedures will, except for Article VI, Non Discrimination, be considered on an individual basis by the Real Estate Committee.

ALLOCATION OF CERTAIN GIFTS

1. The President of FSU will decide the use and / or allocation of unrestricted gift income to the University. Correspondingly, the appropriate Dean shall determine the use and / or allocation of funds donated on an unrestricted basis for a particular college or unit.
2. The fund administrators (those persons designated by Deans to oversee the disbursement of funds), with the written approval of the appropriate Dean, will designate the use and /or allocation of restricted gift income consistent with the specified intent of the donor.
3. Corporate matching gifts will be credited to the donating corporation's gift record. Such matching gifts, however, will be credited for the purposes for which the individual donor's gift was made - unless the corporate donor specifies otherwise. The Foundation is solely authorized to certify, execute and deliver necessary and appropriate affidavits in connection with matching gifts. Donors will receive soft credit for recognition purposes for corporate matching gifts resulting from the donors gift.
4. Unrestricted corporate gifts or grants made/computed on the basis of the number of FSU trained personnel in the corporation's employment (or under a similar formula), will be allocated to unrestricted University funds- unless information is

furnished by the corporation to indicate a clear intent that the gift should be credited to a particular area.

5. In the event that a gift of property is liquidated, the Foundation will deposit the proceeds into the fund, which reflects the intent of the donor.

ADMINISTRATION OF GIFTS

The administration of all gifts is the responsibility of the Foundation. The Foundation fund management and investment policies are considered by the Foundation's Investment Committee and recommended to the Foundation Board of Directors for consideration and adoption. These policies are reviewed and distributed periodically to Deans, Directors and fund administrators.

Donors should not be given assurances that their gifts will be invested in a manner inconsistent with the general policies of the Foundation. This is particularly true in cases where the donor wishes to direct that specific investments be made or that a specific investment manager be used. The Foundation's gift processing area will record all gifts, deposit gifts into the proper funds, and receipt gifts to the donors.

CONFIDENTIALITY OF FSU RECORDS

The successful partnership between FSU and the Foundation is based on effective service and trust and accountability. The Foundation, as a direct support organization of FSU, believes it should be sensitive to public scrutiny of its financial affairs. However, the Foundation's ability to assure donors and prospective donors that their personal or financial information will be held in confidence is essential to fulfilling its primary mission of raising private support for Florida State University. The Legislature acknowledged this need for confidential records in Florida Statutes 240.299.

All records about a donor or a prospective donor, which, if released, would identify that donor, are exempt from requirement of public disclosures. The Foundation will not release personal or financial information given in confidence to the Foundation by a donor, prospective donor or volunteer.

All fund-raising activities undertaken by the FSU staff, faculty or students are undertaken on behalf of the Foundation. All documents and data accessible to authorized users through databases, intranets, and other electronic means that are associated with such activities relating to a donor's, potential donor's or volunteer's personal or financial information in the possession of any FSU staff member, administrator, faculty or student is a record of the Foundation and is to be treated confidentially.

Records of the organization concerning its efforts to sell real property, all appraisals and other reports relating to value, offers, and counteroffers, which are in writing are exempt from requirement of public disclosure, until execution of a valid option contract or until a written offer to sell has been conditionally accepted by the buyer, at which time the exemption shall expire.

It is the Foundation's policy, upon receipt of a reasonable and specific request in writing, to make public financial information of the organization, including expenditures from

organization funds, documentation regarding completed business transactions and information about investment and management of the organizations' assets.

POLICY ON THE ESTABLISHMENT OF NAMING

OPPORTUNITIES AND ENDOWED FUNDS

General Policy

The President of the University, in conjunction with the Development Committee of the Foundation's Board of Trustees, sets minimum gift level amounts and establishes approved guidelines for gift naming opportunities. FSU, in all gift-naming opportunities, reserves the final right of approval for the name or names designated for any of the gift naming opportunities in the sections which follow. University approval cannot be granted until the donor's name is known or until the name(s) of the person(s) being memorialized are known. The gift levels described below are minimum amounts needed to name the respective opportunity within the general University Community. Deans and/or directors have the latitude to establish higher minimum gift levels if appropriate. In most cases, gifts may be made over as long as a five-year period. The Office of the Provost coordinates the selection of incumbents of all endowed positions.

The State of Florida Matching Gifts Program provides exceptional incentives for substantial major endowment gifts to Florida State University. Endowment Gifts are currently matched on the following percentages:

\$100,000 to \$ 599,999	50%
\$600,000 to \$1,000,000	70%
\$1,000,001 to \$1,500,000	75%
\$1,500,001 to \$2,000,000	80%
\$2,000,001 or more	100%

Specific Gift Naming Opportunities

The dollar ranges cited in the paragraphs below are minimums. In each category both numbers represent the minimum amounts needed for endowments in various-sized programs. The larger number is not a cap; it is a minimum figure for a larger or more comprehensive program. Where State matching funds are available they may be used in conjunction with the donor's gift to reach the minimum level. Fundraisers are encouraged to tailor requests to a donor's capacity to give instead of minimum gift levels noted below.

College of Excellence

\$10,000,000 Minimum Gift; may range up to \$50,000,000
\$10,000,000 State of Florida Matching Gift
\$20,000,000 Total Endowment

Endowed Colleges of Excellence are designed to move colleges into the forefront of higher education, nationally and internationally. Depending on the College's size and scope of programs, the minimum gift may go as high as \$50,000,000. The funds generated from such leadership endowments enable appointment of distinguished

faculty to chairs and professorships, provide resources for fellowships and scholarships, and support research, teaching, lectures, conferences and seminars at the highest level. This naming process would follow general University procedures. (See page 49)___

School of Excellence

\$3,000,000 Minimum Gift; may range up to \$5,000,000

\$3,000,000 State of Florida Matching Gift

\$6,000,000 Total Endowment

Endowed Schools of Excellence are designed to move schools into the forefront of higher education, nationally and internationally. Depending on the School's size and scope of programs, the minimum gift may be as high as \$5,000,000. The funds generated from such leadership endowments enable appointment of distinguished faculty to chairs and professorships, provide resources for fellowships and scholarships, and support research, teaching, lectures, conferences and seminars at the highest level. This naming process would follow general University procedures. (See page 49)

Department of Excellence

\$3,000,000 Minimum Gift; may range up to \$5,000,000

\$3,000,000 State of Florida Matching Gift

\$6,000,000 Total Endowment

Departments of Excellence are designed to move departments into the forefront of higher education, nationally and internationally. The minimum gift may be as high as \$5,000,000 depending on the scope of the department. The funds generated from such leadership endowments enable appointment of distinguished faculty to chairs and professorships, provide resources for fellowships and scholarships, and support research, teaching, lectures, conferences and seminars at the highest level.

Academic Program of Excellence

\$2,000,001 Minimum

\$2,000,001 State of Florida Matching Gift

\$4,000,002 Total Endowment_

Endowed Academic Programs of Excellence are designed to move programs within colleges, departments, institutes, or centers into the forefront of higher education, nationally, and internationally. The funds generated would enable appointments of distinguished faculty to chairs and professorships, and provide resources for fellowships,

scholarship, research and teaching.

Presidential Eminent Scholar Chair

\$2,000,001 Minimum

\$2,000,001 State of Florida Matching Gift

\$4,000,002 Total Endowment

Endowed Presidential Eminent Scholar Chairs are designed to attract the most eminent scholar-teachers to Florida State University. Generally, the income from this endowment supplements the faculty member's salary so that it is nationally competitive and provides attractive resources for research and teaching.

Decanal Eminent Scholar Chair

\$1,500,001 Minimum

\$1,200,000 State of Florida Matching Gift

\$2,700,001 Total Endowment

Endowed Decanal Eminent Scholar Chairs are designed to attract distinguished faculty, exceptional scholars-teachers, to Florida State University. Generally, the income from the endowment supplements the faculty member's salary and helps support the recipient's research and teaching.

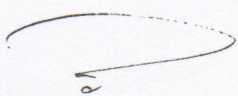
Specific Positions

\$1,200,000 Minimum Gift

\$ 900,000 State of Florida Matching Gift

\$2,100,000 Total Endowment

A specific position such as Dean, Director, Department Chairman, Vice President, etc. may be endowed to supplement the salary of that position.



University-Wide Center

\$1,000,001 Minimum Gift; may range up to \$10,000,000

\$ 750,000 State of Florida Matching Gift

\$1,750,001 Total Endowment

University-Wide Centers are designed to move the Center's mission into the forefront of higher education, nationally, and internationally. The minimum required for a Center may be as high as \$10,000,000 depending on the scope of the center's mission. Any minimum gift over \$2,000,001 would receive a full 100% match from the State. The funds generated would

enable appointments of distinguished faculty to chairs and professorships, and provide resources for fellowships, scholarship, research and teaching.

Eminent Scholar Chair

*all eminent scholars came from partner donors
w/ the state*

\$1,000,001 Minimum Gift

\$ 750,000 State of Florida Matching Gift

\$1,750,001 Total Endowment

Endowed Eminent Scholar Chairs are designed to attract the very best national and international scholars-teachers to Florida State University. Generally, the income from the endowment supplements the faculty member's salary and helps support the recipient's research and teaching.

University Graduate or Professional Student Fellowship

\$250,000 Minimum Gift

\$125,000 State of Florida Match

\$375,000 Total Endowment

University Graduate or Professional Student Fellowships are designed to attract and retain the very best graduate students from throughout the world.

No teaching or research responsibilities are required.

Endowed Lectureship

\$200,000 Minimum Gift

\$100,000 State of Florida Matching Gift

\$300,000 Total Endowment

An Endowed Lectureship provides annual proceeds to be used to pay for honoraria, publicity and the expenses of a member of the faculty or a visiting lecturer from another institution or organization to present a series of lectures on campus. The minimum gift requirement may reach \$500,000 depending on the scope of the program.

Professorship

\$100,000 Minimum Gift; may range up to \$999,999

\$ 50,000 State of Florida Matching Gift

\$150,000 Total Endowment

Endowed Professorships are designed to attract or retain outstanding faculty members by means of supplements. The minimum gift may be as high as \$1,000,000 for professorships in some program areas.

Faculty Fellowship

\$100,000 Minimum Gift

\$ 50,000 State of Florida Match

\$150,000 Total Endowment

Faculty Fellowships are designed to attract and retain outstanding emerging faculty of Florida State University by providing funds for faculty development.

Visiting Professorship

\$100,000 Minimum Gift

\$ 50,000 State of Florida Matching Gift

\$150,000 Total Endowment

Visiting Professorships are designed to attract outstanding faculty for term visits.

Fellowship/Graduate Assistantship

\$100,000 Minimum Gift

\$ 50,000 State of Florida Matching Gift

\$150,000 Total Endowment

Fellowships and Assistantships are designed to attract and retain exceptional graduate students with fellowships being outright grants and assistantships requiring teaching or research responsibilities. Such awards are renewed annually provided the recipients show exemplary progress toward the graduate degree.

Endowed Laboratory

\$100,000 Minimum Gift

\$ 50,000 State of Florida Match

\$150,000 Total Endowment

An Endowed Laboratory provides earnings to be used for equipment and research.

Student Scholarship

\$100,000 Minimum Gift

\$ 50,000 State of Florida Matching Gift

\$150,000 Total Endowment

Endowed Student Scholarships are designed to attract and retain the best undergraduate students by providing full support for tuition and fees, and partial room and board. Such awards are renewed annually provided the recipients show satisfactory progress toward the undergraduate degree.

Partial Scholarship

\$ 25,000 Minimum Gift

\$ 25,000 Total Endowment

Endowed Partial Scholarships provide support toward educational expenses for students based on need or merit. Such funds for students may be built up over a five-year period until qualifying for state matching gifts at the \$100,000 level.

Named Facilities

\$1,000,000 Minimum Gift

\$1,000,000 State of Florida Facilities Enhancement Challenge Grant Program

\$2,000,000 Total Cost

In general, the naming of a new building or a substantially renovated building may occur when the donor provides one-half of the total cost – the other half coming from the State of Florida Facilities Enhancement Challenge Grant Program. In addition, the naming of existing buildings, areas, and rooms may occur if a donor provides a substantial gift to the appropriate program, and the appropriate procedures for approval are followed.

Finally, the naming of facilities may occur also through appropriate university or state procedures unrelated to major gifts.

Other Named Funds

The endowed funds and other funding requirements described above are listed because of their broad appeal to the donors of most colleges, schools, departments, and other units of the University. A variety of other purposes require funding and offer numerous gift opportunities. Each college, school or department can establish named funds to support the particular activities of its programs so long as the minimum standards stated above are observed.

Term Support

Named gift opportunities can also be made without any provision for the establishment of an endowment. Following are examples:

Term Chair – A term chair requires a minimum gift commitment of \$350,000.

Term Professorship – A term professorship requires a minimum gift commitment of \$100,000.

Term Lectureship – A term lectureship requires a minimum gift commitment of \$75,000.

The endowed funds and other funding requirements described above are listed because of their broad appeal to the donors of most colleges, schools, departments, and other units of the University. A variety of other purposes require funding and offer numerous gift opportunities. Each college, school or department can establish named funds to support the particular activities of its programs so long as the minimum standards stated above are observed.

Specific Gift Naming Opportunities-Colleges, Buildings, & Portions Thereof

The naming of colleges, buildings or areas, by virtue of private donations on the FSU campus or on properties affiliated with FSU, must follow State and University guidelines - specifically:

1. The naming of any building in honor of a living person must have the approval of the Florida Legislature (Florida Statutes 267.062). Additionally, the naming of any building in honor of a person (living or deceased), as a result of a private gift, must be approved by the following:

- a. The President of FSU.

- c. The State Board of Education

- d. The Florida State University Board of Trustees
- e. The State of Florida Division of Historic Resources (an agency of the Secretary of State's office).
- f. Chairman of the University Building and Campus Development Committee (Vice President for Finance and Administration).

f. Dean of the college or unit to which the building is dedicated for principal use. Proposals to name buildings should be approved formally by the University President before delivery to the donor, and no final commitment to name a building can be made without all of the above approvals.

2. The naming of a college requires final approval by the State Board of Education. The University President submits naming requests to the State Board of Education at least 30 days in advance. All requests should be accompanied with documentation of the person's achievements and contributions, including letters of recommendation, biographical summaries and media reports. Approval at the University level includes:

- a. The President of FSU
- b. The FSU Board of Trustees
- c. Chairman of the University Building and Campus Development Committee (Vice President for Finance and Administration).
- d. The appropriate Dean of the college or unit to which the building is dedicated for principal use.

3. The naming of significant areas within buildings for persons, living or deceased, must be approved by the following:

- a. The President of FSU.
- b. Chairman of the University Building and Campus Development Committee for campus space, Chairman of the University Space Committee for rooms (Vice President for Finance and Administration chairs both.)
- c. The appropriate Vice Presidents and /or Dean.

4. When the naming opportunity concerns a new building or substantial renovation of an existing building, a donor will be required to provide 100 percent of the private portion of the building cost. Under the existing Facilities Enhancement Challenge Grant Program, the private portion would be 50 percent of the total cost.

In the event that the facility and affected unit choose to conduct a campaign which raises the needed funds from numerous donors, the minimum donation required from an individual for a naming opportunity is 50 percent of the private portion (or, under the existing Facilities Enhancement Challenge Grant Program, 25 percent of the total cost).

5. Funds donated to name a building or an area will be designated for construction or refurbishment of the building or area and / or be unrestricted to the college or unit to which the building or area is dedicated for principal use. In general, naming of a building or an area requires a completed gift of cash or assets that can be converted to cash.

6. A college or unit will establish a schedule of gift amounts to be requested for the naming of buildings and areas. Prior to any solicitations, such a schedule will be approved by the following:

- a. The President of FSU
- b. The FSU Board of Trustees
- c. Chairman of the University Building and Campus Development Committee (Vice President of Finance and Administration)

- c. The appropriate Vice Presidents and / or Dean. Exceptions for Endowments and Funds

The Development Committee of the Board of Trustees of the Foundation shall have the latitude to approve the establishment of named funds in amounts less than those stated above, provided that it is understood that within a reasonable period of time from the establishment of the fund, the principal thereof, including additional gifts, shall equal the stated minimum. If the stated minimum is not achieved, then the fund, as well as the funds expended for the college, school or department, originally designated by the donor, may be terminated after three consecutive years of inactivity.

Similarly, in serving the best interest of FSU, the University President, the Foundation President and the Foundation Development Committee retain the right to approve or disapprove any naming opportunity.

EXHIBIT A

FLORIDA STATE UNIVERSITY FOUNDATION, INC.

REAL ESTATE

Part I -- General Review

(To be completed by either the owner/donor prospect or by the development officer using information provided by the owner/donor prospect)

Legal description and location of property, e.g., lot X, Section XYZ, Subdivision, County

Is the property owned jointly with other individuals? yes _____ no _____

Name, address and social security number of each property owner and type of ownership:

Describe when and how each owner(s)/donor prospect(s) acquired the property. Indicate the

property's "adjusted basis" or "tax cost", (typically original purchase price plus cost of improvements less depreciation claimed while owned).

Has a professional appraisal been prepared within the last six months? yes ____ no ____

If so, please indicate appraiser's valuation and attach a copy of the report.

If not, what is the owner/donor prospect estimate of the property's value? Describe the basis for this estimate.

Has the property been on the market at any time during the last year? yes ____ no ____

If so, please indicate dates, offering price(s), and name and address of representing agent.

Is the property "marketable"? yes ____ no ____ don't know ____

Describe recent comparable sales.

Does the property currently produce income? If yes, please indicate the specific source and periodic amount.

List each current lease arrangement relative to the property, including lease term, provisions for insurance, taxes, and maintenance responsibilities, and notice requirements for vacation of the premises. Provide a copy of each lease agreement.

Is the property encumbered? yes ____ no ____

____ If so, please list each mortgagor or claimant, and the amount owed to each.

Are all taxes, covenant fees, and maintenance expenses current? yes ____ no ____

Please provide an estimate of the annual expense borne by the property owner(s) for the following:

Property Taxes _____ Insurance _____
Utilities _____ Maintenance _____

Assoc'n Dues/Fees

Other

Please indicate current zoning classification and any pending rezoning issues.

Please describe any problems unique to the property, e.g., zoning questions, neighbor disputes, property upkeep, controversial development planned for the area, etc., that have not otherwise been discussed in this questionnaire.

Part II -- Gift Review

(To be completed by development officer)

1. What is the use of the proceeds of sale that the donor wishes to provide for?

If the donor intends to fund a named endowment, have or when will fund guidelines be executed?

yes _____ date _____ no _____

2. Has the donor been advised of his/her responsibility to provide an appraisal, an environmental study (Phase I, minimum), and title examination at his/her expense? yes _____ no _____

3. Will the gift be used to provide income to the donor and/or other beneficiaries? If so, does the donor understand that a net income charitable remainder unitrust is the only gift arrangement available? Yes _____ No _____ n/a

Will there be more than one life income beneficiary? If yes, indicate names, dates of birth, and social security numbers of each beneficiary.

What is the donor's intended use for the remainder interest of the trust?

4. Was the donor advised of appraisal requirements relative to IRS Form 8283?

yes _____ no _____

Was the donor advised of the IRS reporting requirements for properties sold within two years of the date of gift? yes _____ no _____

5. Please indicate your assessment of any problems unique to the property, e.g., zoning questions, neighbor disputes, property upkeep, controversial development planned for the area.

6. Are you aware of any prospects interested in purchasing the property?

Development Officer